

CENTRAL INTELLIGENCE AGENCY

## 7505

CD NC

DATE DISTR. 11 November 1955

NO. OF PAGES 2 25X1

NO. OF ENCLS  
(LISTED BELOW)

SUPPLEMENT TO : 25X1  
REPORT NO :

THIS IS UNEVALUATED INFORMATION

CLASSIFICATION SECRET

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3. a. After the effective date of this resolution, salaries heretofore paid to employees, for whose work no legal salary regulation prevails, are not to be raised. Such salaries are to be maintained on an individual basis until the effective date of a new regulation. Exceptions may be made for individual salaries which are paid in accordance with the legal regulations.
- b. When an employee who has been paid on an individual basis gives up his position, his successor is to be paid the salary certified by the Position Planning Commission for that position, in the Position Plan. If no certified Position Plan exists, then the successor may be paid no more than the average salary for similar work in that particular branch of the economy (Wirtschaftszweig). Such an average salary must be determined for the various employee groups by the main administrations and certified by the State Position Planning Commission.
- c. If an individual contract is made with the employee's successor on the basis of the legal regulations, then section 3, paragraph b, is not applicable. In such case, the legal regulations for making individual contracts are to be observed.
- d. The Ministry of Labor and Professional Training and the State Position Planning Commission are directed to draft, prior to 30 May 1955, instructions for determining and establishing salary averages, and are to promulgate such salary averages.
- e. The Ministry of Labor and Professional Training and the State Position Planning Commission are instructed to coordinate with the Ministry of Finance and the Directorate of the Free German Trade Union Federation (FDGB) in initiating measures for establishing work and qualification standards, as well as salary scales for commercial and technical employees.
4. The "Resolution concerning the Setting of Wages after Cancellation of Work Norm Raises", of 25 June 1953, has been rendered out of date by the development of our economic conditions and is therefore no longer to be applied in practice.
5. The "Resolution concerning the Cancellation of Wage and Salary Reclassifications", of 23 July 1953, which was valid only for reclassifications prior to 23 July 1953, is no longer to be applied.

Comments:

1. The bureaucratic verbiage of this resolution was designed to conceal the fact that the resolution inaugurated a notable reversal of the East German wage policy which prevailed since July 1953. The resolution restored the policy ("legal situation") of raising work norms and downgrading jobs, which was a cause of the Berlin riots of 17 June 1953. Since this resolution reopened the door to wage reductions, freezing of norms, downward job revisions and reclassifications, and the transfer of workers to other places at lower pay grades, it was not published in the official journal and it is being implemented unobtrusively in key plants and establishments rather than on an industry-wide basis.
2. this approval must be coordinated with the Minister of Finance.
3. Presumably 30 May 1955 (see Para. 3d).
4. This term refers to salaries paid to some economic specialists and for hazardous activities.

SECRET